

**HARVARD SMOKING AND HEALTH RESEARCH  
PROGRAM - EXTENSION AGREEMENT**

In 1972, a commitment was made by the undersigned Grantors to provide funding for a Smoking and Health Research Program developed by Harvard Medical School. Pursuant to the provisions of the commitment, funding would expire in 1977. However, the undersigned Grantors and Harvard Medical School wish to provide further funding of the program for the three (3) academic years of July 1, 1977, through June 30, 1980, as follows:

1. Grantors shall provide additional monies in the aggregate principal amount of One Million Nine Hundred Fifty-eight Thousand Two Hundred Ninety-three and No/100 Dollars (\$1,958,293.00) to be applied to the Smoking and Health Research Program for direct costs only. A budget is attached as Appendix A. An additional sum of ten percent (10%) of any semiannual payment made hereunder will be paid to Harvard Medical School as supplemental funds not as project costs.

If, in accordance with paragraph 1 of the original agreement, the sponsoring companies do not approve a substitute investigator, reasonable and necessary expenses required to terminate the work in progress in an orderly but expeditious manner shall be payable from project monies available or to be made available during the current fiscal year. Any monies not required for such purpose shall be held for disposition as directed by the Grantors.

2. Harvard Medical School shall continue to be responsible for the project. This responsibility shall include providing or arranging for adequate housing, services and the like. Harvard Medical School shall determine the proportion of supplemental funds paid by Grantors that should be paid over to any other institution that may be providing for the project and shall pay such amount.

3. All equipment purchased with funds from either the original or the extended grant is and shall be the exclusive property of the Grantors, as they determine their respective interests, and utilization of such equipment shall be only for purposes of the Smoking and Health Research Program.

4. Harvard Medical School shall cause financial records to be maintained respecting all funds made available by Grantors. Said records shall be maintained consistent with generally accepted accounting principles and shall be made available for audit by Grantors' accountants upon reasonable notice from Grantors. Harvard Medical School shall require similar records (and access to them by

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Grantors' accountants) of any entity to which it disburses funds other than for the sole purchase of equipment and supplies. Grantors shall have a similar right to all records respecting any funds they make available for the present Smoking and Health Research Program.

5. The provisions of the 1972 Harvard Research Proposal Agreement, as amended hereby, shall continue to govern the extended Smoking and Health Research Program, including procedures and funding. In particular, no direct funds are to be expended without the approval of the principal investigator prior to the initiation of said expenditures. A copy of the original proposal is attached to and incorporated into this agreement by reference as Appendix B.

This Extension Agreement shall be dated as of the date the last of the signatories hereto executes it.

HARVARD MEDICAL SCHOOL

DATE:

February 9, 1977

By Frank L. Blumgart  
Principal Investigator

DATE:

February 9, 1977

Executive Secretary, Committee  
on Research and Development,  
Harvard Medical School

DATE:

February 9, 1977

Franklin H. Epstein, M.D.  
Herrman L. Blumgart Professor of  
Medicine

3. All equipment purchased by the Harvard Medical School for the use of the Smoking and Health Research Program shall be expended in accordance with the stipulations, as now determined and/or respectively set forth in the original proposal.

THE FOLLOWING ARE EXECUTING THESE PRESENTS AS "GRANTORS":

BROWN & WILLIAMSON TOBACCO  
CORPORATION  
DATE: FEB. 24, 1977 By Ernest Pepples

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LICETT GROUP INC.  
 LICETT & MEYERS INCORPORATED

DATE: Feb. 26, 1977

By Lawrence E. Rice

LORILLARD, A DIVISION OF LOEW'S  
 THEATRES, INC.

DATE: Feb. 24, 1977

By Arthur J. Stoen

PHILIP MORRIS INCORPORATED

DATE: Feb. 25, 1977

By Thomas J. Ahrens, Jr.

R. J. REYNOLDS INDUSTRIES, INC.

DATE: Feb. 24, 1977

By J. Reiner

UNITED STATES TOBACCO COMPANY

DATE: Feb. 26, 1977

By J. L. C. Bunting, President

AMERICAN BRANDS, INC.

DATE: March 1, 1977

By Byrie F. Hitzko

By Emmett F. Hitzko

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BUDGET

## DIRECT COSTS ONLY

7/1/77 - 6/30/80

|                   | <u>First Year</u>     | <u>Second Year</u>    | <u>Third Year</u>     |
|-------------------|-----------------------|-----------------------|-----------------------|
| Personnel         | 369,714               | 399,290               | 430,597               |
| Equipment         | 24,800                | 2,000                 | 2,000                 |
| Supplies          | 65,100                | 69,350                | 73,785                |
| Travel            | 11,100                | 11,500                | 11,900                |
| Alterations       | 4,300                 | -----                 | -----                 |
| Charlesgate       | 50,000                | 55,000                | 60,000                |
| Clinical Services | 50,000                | 55,000                | 60,000                |
| Other             | <u>47,000</u>         | <u>52,010</u>         | <u>53,847</u>         |
| <b>Total</b>      | <b><u>622,014</u></b> | <b><u>644,150</u></b> | <b><u>692,129</u></b> |

THREE YEAR TOTAL

\$1,955,293

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